



FOR RELEASE
Friday, November 19, 2004

Contact:

Donna Murray
 (401) 462-8751
Labor Market Information

Joyce D'Orsi
 (401) 462-8762
Labor Market Information

Rhode Island's Unemployment Rate Falls to 4.5 Percent in October
Remains Below National Rate for Second Straight Month

Rhode Island Department of Labor and Training Director Adelita S. Orefice announced today that Rhode Island's seasonally adjusted unemployment rate for October fell to 4.5 percent, its lowest level since February 2001. The

	<u>Oct. 04</u>	<u>Sept. 04</u>	<u>Oct. 03</u>
Rhode Island	4.5%	5.0%	5.0%*
United States	5.5%	5.4%	6.0%
* Revised			

October unemployment rate is down 0.5 of a percentage point from September. The number of unemployed Rhode Island residents declined by 2,900 in October to 25,400. A year ago, the unemployment rate was 5.0 percent, and the number of unemployed stood at 28,500. Nationally, the

unemployment rate inched up 0.1 of a percentage point to 5.5 percent in October. Rhode Island's unemployment rate remained below the national average for the second month in a row.

"The decline in the number of unemployed combined with more Rhode Island residents working in October is a good sign – even if our job count is down over the month," said Director Orefice. "While job growth has stalled over the last few months, we expect employer hiring to pick up for the holiday season."

Rhode Island Job Highlights

Rhode Island businesses reported a loss of 500 jobs last month, bringing the October job count to 489,100 (seasonally adjusted). Over-the-month employment gains in Professional & Business Services (+400); Government (+200); and Trade, Transportation & Utilities (+100) were negated by losses in the Leisure & Hospitality (-400) and Manufacturing (-100) sectors. Construction remained even over the month.

The more detailed unadjusted estimates, which traditionally increase from September to October, were up by 2,200 (+0.4%) over the month. The October job count stood at 495,700 (unadjusted), the highest October job count on record. The largest over-the-month gains were reported in Government (+2,000) and Educational Services (+1,800). These employment increases are reflective of the continued hiring that occurs early in the new school year.

Seasonal hiring in Retail Trade resulted in 600 new jobs, slightly higher than the average September to October (+500) increase. The end of the summer season contributed to the largest declines, which were reported in Accommodation & Food Services (-1,500) and Arts, Entertainment & Recreation (-800). Health Care & Social Assistance reported an uncharacteristic loss of 200 jobs over the month as employment in that sector usually increases at this time of year.

– More –

Over the year, employment was up 4,300 (+0.9%) from the 491,400 jobs (unadjusted) reported in October 2003. The largest over-the-year gains were noted in Health Care & Social Assistance (+1,500); Educational Services (+1,000); Construction (+800); Accommodation & Food Services (+700); and Other Services (+600). The largest private sector employment losses occurred in Financial Activities (-500) and Manufacturing (-300). Government employment increased by 100 over the year, as job gains on the Local level (+500) slightly offset losses in the Federal (-300) and State (-100) segments.

Hours and Earnings

The \$13.00 average hourly wage earned by the Manufacturing sector's production workers in October 2004 represented a yearly gain of seven cents and a monthly gain of one cent per hour. In October 2004, Manufacturing employees worked an average of 39.4 hours per week, an increase of 0.2 of an hour over the year, but a decrease of 0.2 of an hour over the month.

***Note:** The unemployment figures are based largely on a survey of households in Rhode Island and measure the unemployment status of people who live in the state.*

The employment figures in the "Rhode Island Job Highlights" section are derived from a survey of businesses in Rhode Island and measure the number of jobs in the state.

**Rhode Island Labor Market Information is available on our web site at www.dlt.ri.gov/lmi
The November labor force figures are scheduled to be released on Friday, December 17, 2004.**

- 30 -

The Rhode Island Department of Labor and Training offers a wide array of employment and training services to both the general public and to individuals with unusual barriers to employment. DLT is ready to assist any job seeker, whether the goal is a first job, a better job, or a career change. Rhode Island's work force is protected through the enforcement of labor laws, prevailing wage rates, and work place health and safety standards. Temporary income support is available to unemployed, sick, or injured workers and a comprehensive rehabilitation program is available to those injured on the job.

DLT is dedicated to the growth and competitiveness of Rhode Island industry, administering a variety of training grants, tax credits, and apprenticeship programs to help employers. Economic indicators and labor market information are available for long-range planning. The Agency engages in active outreach, helping large and small employers retain their best workers or retrain their existing work force. At no cost to the employer, DLT will also screen job applicants, post job vacancies, and help businesses institute cost-sharing programs that can avert layoffs.

For more information on the innovative programs and services available to all Rhode Islanders at the Department of Labor and Training, please call (401) 462-8000 or visit the web site at www.dlt.ri.gov.

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities.

TDD (401) 462-8006